

Missouri Timber Price Trends



Quarterly Market Report
Vol. 11 No. 4
Oct.-Dec., 2001

Missouri Department of Conservation
Forestry Division

Missouri Timber Price Trends tracks market prices for Stumpage and Delivered Logs. Reports on the Stumpage Market are received from Missouri Department of Conservation Resource Foresters and private consulting foresters. Stumpage refers to timber sold on the stump and does not reflect delivered mill prices. Reports on the Log Market give delivered log prices and are compiled from reports submitted by sawmills and other wood processing plants. These reports should serve as a **general** guide to track stumpage and delivered log prices. Landowners should not use this report to replace a timber inventory and marketing assistance as methods of conducting a sale. Missouri Department of Conservation Resource Foresters will be able to provide information on current, local market conditions. Details of all private sales and delivered prices are kept confidential.

Tree Scale Conversion Factors

Sawlogs - Veneer Logs		Int'l = Doyle x 1.2
Pulpwood	Pine	5,200 lbs/cord
	Hardwood (hard)	5,600 lbs/cord
	Hardwood (soft)	4,200 lbs/cord

STATEWIDE TIMBER STUMPAGE PRICE TRENDS IN MISSOURI

(Oct.-Dec., 2001)

	High \$/MBF	Low \$/MBF	Weighted Average	Previous Quarter	Last Year	Number of Reports	Total Volume (M Bd Ft)
Veneer							
Black Walnut	\$5,000	\$790	\$1,620	\$1,100	\$920	20	26 Int. - MBF
White oak (group)	\$1,765	\$720	\$1,725	\$835	\$1,320	2	35 Int. - MBF
Sawlogs							
Ash	\$100	\$65	\$70	\$70	\$120	4	14 Int. - MBF
Basswood	\$85	\$85	\$85	-	\$65	1	1 Int. - MBF
Black Walnut	\$835	\$205	\$535	\$325	\$425	19	109 Int. - MBF
Cherry	\$155	\$40	\$90	-	-	2	4 Int. - MBF
Cottonwood	\$95	\$25	\$80	-	\$75	6	308 Int. - MBF
Elm	\$65	\$50	\$55	-	\$50	4	9 Int. - MBF
Hackberry	\$85	\$50	\$60	-	\$65	5	30 Int. - MBF
Hickory	\$150	\$40	\$75	\$110	\$55	11	76 Int. - MBF
Soft Maple	\$315	\$80	\$235	\$150	\$210	7	303 Int. - MBF
Oak (mixed species)	\$390	\$35	\$175	\$115	\$125	22	1,348 Int. - MBF
Red oak (group)	\$255	\$40	\$150	\$180	\$140	40	2,828 Int. - MBF
White oak (group)	\$460	\$65	\$170	\$150	\$185	27	1,229 Int. - MBF
Pecan	\$75	\$50	\$75	-	-	2	20 Int. - MBF
Sycamore	\$150	\$50	\$120	\$55	\$60	6	22 Int. - MBF
Yellow Poplar	\$150	\$150	\$150	-	-	1	9 Int. - MBF
Mixed Hardwoods	\$240	\$40	\$145	\$150	\$60	21	372 Int. - MBF
S Yellow Pine	\$130	\$60	\$125	\$125	\$130	8	132 Int. - MBF
Post Oak	\$145	\$60	\$105	\$115	\$85	9	107 Int. - MBF
Stave Logs							
White oak (group)	\$290	\$210	\$240	\$215	\$265	11	76 Int. - MBF

OZARK TIMBER STUMPAGE PRICE TRENDS IN MISSOURI

(Oct.-Dec., 2001)

	High \$/MBF	Low \$/MBF	Weighted Average	Previous Quarter	Last Year	Number of Reports	Total Volume (M Bd Ft)
Veneer							
Black Walnut	\$5,000	\$790	\$1,735	-	-	11	14 Int. - MBF
Sawlogs							
Black Walnut	\$570	\$205	\$450	-	-	6	33 Int. - MBF
Cherry	\$155	\$155	\$155	-	-	1	2 Int. - MBF
Hickory	\$150	\$60	\$85	\$120	\$100	7	58 Int. - MBF
Oak (mixed species)	\$230	\$80	\$140	\$135	\$125	14	787 Int. - MBF
Red oak (group)	\$235	\$100	\$155	\$180	\$145	20	2,391 Int. - MBF
White oak (group)	\$185	\$95	\$110	\$175	\$135	10	544 Int. - MBF
Sycamore	\$150	\$60	\$150	-	-	3	13 Int. - MBF
Mixed Hardwoods	\$240	\$60	\$190	\$75	\$50	8	187 Int. - MBF
S Yellow Pine	\$130	\$60	\$125	\$125	\$130	8	132 Int. - MBF
Post Oak	\$145	\$60	\$105	\$115	\$85	8	103 Int. - MBF
Stave Logs							
White oak (group)	\$290	\$210	\$235	\$220	\$265	7	54 Int. - MBF

PRAIRIE TIMBER STUMPAGE PRICE TRENDS IN MISSOURI

(Oct.-Dec., 2001)

Veneer	High \$/MBF	Low \$/MBF	Weighted Average	Previous Quarter	Last Year	Number of Reports	Total Volume (M B Ft)
Black Walnut	\$2,500	\$835	\$1,480	\$1,100	\$920	9	12 Int. - MBF
Cherry	\$1,665	\$1,665	\$1,665	-	-	1	Int. - MBF
Red oak (group)	\$2,500	\$2,500	\$2,500	-	-	1	Int. - MBF
White oak (group)	\$1,765	\$1,765	\$1,765	\$835	\$1,320	1	33 Int. - MBF
Sawlogs							
Ash	\$100	\$65	\$70	\$100	\$120	4	14 Int. - MBF
Basswood	\$85	\$85	\$85	-	\$65	1	1 Int. - MBF
Black Walnut	\$835	\$290	\$570	\$325	\$425	12	75 Int. - MBF
Cottonwood	\$95	\$25	\$80	-	\$75	6	308 Int. - MBF
Elm	\$65	\$50	\$55	-	\$50	4	9 Int. - MBF
Hackberry	\$85	\$50	\$60	-	\$65	5	30 Int. - MBF
Hickory	\$65	\$40	\$45	\$50	\$50	4	18 Int. - MBF
Soft Maple	\$315	\$80	\$235	\$150	\$210	7	303 Int. - MBF
Oak (mixed species)	\$175	\$130	\$165	\$85	-	3	166 Int. - MBF
Red oak (group)	\$185	\$40	\$120	\$120	\$120	12	369 Int. - MBF
White oak (group)	\$300	\$65	\$215	\$115	\$210	13	465 Int. - MBF
Pecan	\$75	\$50	\$75	-	-	2	20 Int. - MBF
Sycamore	\$90	\$50	\$75	\$50	\$60	3	9 Int. - MBF
Mixed Hardwoods	\$80	\$40	\$50	\$45	\$60	9	106 Int. - MBF
Post Oak	\$85	\$85	\$85	-	-	1	3 Int. - MBF

RIVERBORDER TIMBER STUMPAGE PRICE TRENDS IN MISSOURI

(Oct.-Dec., 2001)

Sawlogs	High \$/MBF	Low \$/MBF	Weighted Average	Previous Quarter	Last Year	Number of Reports	Total Volume (M Bd Ft)
Black Walnut	\$585	\$585	\$585	-	-	1	Int. - MBF
Oak (mixed species)	\$390	\$35	\$250	-	-	5	395 Int. - MBF
Red oak (group)	\$255	\$130	\$175	\$120	-	8	68 Int. - MBF
White oak (group)	\$460	\$130	\$225	\$135	-	4	219 Int. - MBF
Yellow Poplar	\$150	\$150	\$150	-	-	1	9 Int. - MBF
Mixed Hardwoods	\$195	\$100	\$175	\$190	-	4	79 Int. - MBF
Stave Logs							
White oak (group)	\$290	\$235	\$250	-	-	4	22 Int. - MBF

Missouri Log Market Report



Missouri Department of Conservation, Forestry Division University of Missouri, Forestry Extension Missouri Forest Products Association

Welcome to the **Missouri Log Market Report**. This report is intended to provide information on delivered log prices and market conditions for loggers and mill operators. Landowners can benefit by tracking market conditions for the various wood products harvested from a tree.

The Log Market Report is published as a cooperative effort of the Forestry Division of the Missouri Department of Conservation, University of Missouri-Extension and the Missouri Forest Products Association.

The report details prices for **Grade Logs** by species and grade; and prices for **Below Grade Logs** by species and intended end use, such as blocking, pallet lumber or ties. All prices are based on the average mean within the grade standard or product line. Absolute maximums or minimums are not reported. All prices are based on a thousand board feet unit using the International 1/4" Log Scale. Log grades used in this report are based on the following **minimum** criteria:

	Grade 1	Grade 2	Grade 3
Minimum Diameter	13-15"	11"	8"
Minimum Log Length	10'	8'	8'

We hope you find the information useful and will be working to expand the number of participating mills; reported species and products (veneer, etc); and the range of coverage for the report. All information provided by the participating mills is confidential.

If you have any questions, comments, or would like to participate in the reporting program, please call (573) 751-4115, Extension 308.

Average Statewide Delivered Prices Dollars per Thousand Board Feet, International 1/4" Scale (Oct.-Dec., 2001)

Sawlogs Species	Grade 1	Grade 2	Grade 3
Ash	\$270	\$180	\$165
Black Walnut	\$485	\$280	\$235
Cherry	\$850	\$340	\$275
Cottonwood	\$165	-	\$150
Elm	-	-	\$160
Hackberry	-	-	\$160
Hickory	\$235	\$210	\$125
Hard Maple	\$585	\$245	\$210
Soft Maple	\$280	\$260	\$240
Red oak (group)	\$515	\$315	\$255
White oak (group)	\$395	\$260	\$230
Eastern Redcedar	\$210	-	-
S Yellow Pine	\$250	\$200	\$150
Post Oak	\$210	\$175	\$160

* 16 Mill(s) reporting.

Average Ozark Delivered Prices Dollars per Thousand Board Feet, International 1/4" Scale (Oct.-Dec., 2001)

Sawlogs Species	Grade 1	Grade 2	Grade 3
Ash	\$300	\$295	\$225
Black Walnut	\$430	\$370	\$305
Cottonwood	\$165	-	\$150
Elm	-	-	\$160
Hickory	\$225	\$150	\$150
Soft Maple	\$310	\$280	\$240
Red oak (group)	\$345	\$315	\$250
White oak (group)	\$315	\$285	\$270
Eastern Redcedar	\$210	-	-
S Yellow Pine	\$250	\$200	\$150
Post Oak	\$230	\$175	\$160

* 13 Mill(s) reporting.

Average Prairie Delivered Prices
Dollars per Thousand Board Feet, International ¼" Scale
(Oct.-Dec., 2001)

Sawlogs			
Species	Grade 1	Grade 2	Grade 3
Cherry	\$500	\$415	\$335
Red oak (group)	\$750	\$585	\$335
White oak (group)	\$415	\$335	\$250

* 1 Mill(s) reporting.

Average Riverborder Delivered Prices
Dollars per Thousand Board Feet, International ¼" Scale
(Oct.-Dec., 2001)

Sawlogs			
Species	Grade 1	Grade 2	Grade 3
Ash	\$260	\$165	\$115
Black Walnut	\$495	\$270	\$210
Cherry	\$1,010	\$320	\$210
Hickory	\$235	\$210	\$115
Hard Maple	\$585	\$245	\$210
Red oak (group)	\$655	\$255	\$210
White oak (group)	\$480	\$165	-
Post Oak	\$210	-	-

* 2 Mill(s) reporting.

Average Statewide Delivered Prices
Dollars per Thousand Board Feet, International ¼" Scale
(Oct.-Dec., 2001)

Below Grade Logs			
Species	Blocking	Pallet	Tie
Ash	\$145	\$125	\$230
Black Walnut	\$150	\$115	-
Cherry	\$145	\$105	\$215
Cottonwood	\$135	\$120	\$225
Elm	\$140	\$120	\$200
Hackberry	\$140	\$120	\$215
Hickory	\$145	\$125	\$230
Hard Maple	\$145	\$120	\$225
Soft Maple	\$145	\$120	\$200
Red oak (group)	\$150	\$130	\$235
White oak (group)	\$150	\$130	\$225
Pecan	\$150	\$165	-
Gum	\$145	\$130	\$215
S Yellow Pine	\$150	\$155	\$180
Post Oak	\$145	\$120	\$230

* 17 Mill(s) reporting.

QUARTERLY MARKET CONDITIONS

21 mills, with a combined annual production of 75 million board feet, participated in the survey of log and lumber market conditions. In addition, foresters reported stumpage prices resulting from 62 timber sales containing 6.4 million board feet located throughout the state.

Other Product Prices
(Oct.-Dec., 2001)

Product	Avg. Price
Pine Shaving Bolts	\$25/Ton

The stumpage price portion of this report benefitted greatly this quarter from an unusually large number of reported timber sales. A total of 62 individual timber sales were reported by private consulting foresters and foresters from the Missouri Dept. of Conservation. This number is about double the normal amount of reports received. The majority of reported sales (93 %) were for timber sold from private ownerships. **The sales contained nearly 6.4 million board feet and returned approximately \$1,186, 539.00 to timber owners.** This indicates that forester assisted timber sales averaged more than \$188.00 per thousand board feet across all species, grades and products. The average return per acre was slightly more than \$382.00

Here are additional facts summarized from the 4th quarter stumpage reports that might be of interest. **93%** of the sales reported were on **private land**. **Consulting Foresters** administered 53% of the timber sales, **MDC Foresters**-47%. Total acreage included in the sales was approximately 3,100 acres. Of the 62 timber sales the type of harvest listed was as follows:

<u>Sale Type</u>	<u>#</u>	<u>%</u>
Thinning	25	40.3
Land Clearing	1	1.6
Salvage	4	6.4
Diameter Cut	12	19.3
Clearcut*	3	4.8
UAM	17	27.4

* The low number of clearcuts reported would seem to be contrary to claims by environmental groups that foresters routinely favor clearcutting as the harvesting system of choice.

Overall markets for standing timber were steady although somewhat soft throughout the quarter. The general economic slowdown in the national economy has been sustained long enough to impact many manufactured wood products markets and inventories. Markets for lower grades of lumber used for pallets, blocking, dunnage, etc. appear to have suffered the greatest impact so far. The trend can be seen by reviewing the final table in the report on page 9 which details *Delivered Log Prices* for so-called *Below Grade Logs*. Pay particular attention to the "Blocking" and "Pallet" columns. Lower delivered prices also mean lower stumpage prices and there are indications we might see continued declining prices on low grade logs through the first quarter of 2002. In localized areas, the negative impact of red oak borer damage on log quality will be significant. Salvage sales in these areas are likely to bring historically low prices, but damaged trees will never recover former value. Landowners in these areas of the state should consult their local foresters for assistance to assess potential damage and advice on how to proceed with their timber

management activities. Mature timber stands containing mostly red oak species warrant special attention because borer damage occurs over a wide diameter range. Maintaining maximum tree vigor is one way to combat the spread of this pest, so thinning will probably increase in popularity.

Tie log prices have held fairly steady and that trend is likely to continue for the first half of 2002. We may even see some small price increases in local areas where trees larger than 14" in diameter are becoming harder to find.

Walnut lumber prices are the surprise of the year in northern and western Missouri. In fact, walnut sawlog prices are very good throughout the Midwest and the outlook is good at least until Spring. This market is what many landowners have been waiting for the past 3-5 years. Walnut veneer prices are also greater than past years, but grade specifications are tight. If you have walnut to sell this year, contact your forester as soon as possible to prepare a sale.

Stumpage prices for soft maple have been especially good for the past two quarters in north central and northeast Missouri. Not so in the remainder of the state. The popularity of hard maple furniture and cabinetry appears to be waning, so demand is likely to decline somewhat. However, if you have mature bottomland timber in the areas mentioned, a soft maple sale might surprise you.

Red oak markets remain steady, especially for higher quality logs. Some excellent prices for pin oak was reported in NE MO, although the tables in this report do not list pin oak as a separate species. A small volume sale of Northern red oak veneer was reported at \$2.50 per board foot with a note that it was *exceptional quality*. This was the first report of a red oak veneer stumpage sale in several years. Reported White oak veneer prices ranged from about \$1200/MBF to \$2300/MBF Doyle Scale.

Only 17 sawmills reported prices for delivered logs this quarter, making it somewhat difficult to draw many conclusions from the numbers. Reporting sawmills are generally operating at better than 70% of capacity with an adequate supply of logs for the remainder of the winter months. Very few mills are indicating increased log purchases during the first quarter of 2002. Declining markets outnumber improved ones and business is generally characterized as "slow." One sawmiller noted that "business was the worst in 20 years." Another said, "I may be out of business next year." However, there is some optimism that a "broad range of markets will improve in early 2002." Happy New Year everyone!

Shelby Jones, Editor

Editor's Note:

Remember that one of the most valuable sources for information on log and timber markets is the local Missouri Department of Conservation Resource Forester. Contact the nearest Forest District office for up-to-date, local advice. The Missouri Department of Conservation's Forestry Division, (573) 751-4115, Extension 3308, will be happy to provide you with the name and address of the Resource Forester or District Forest Office nearest to you.

MISSOURI DEPARTMENT OF CONSERVATION
FORESTRY DIVISION
P O BOX 180
JEFFERSON CITY MO 65102-0180
ADDRESS CORRECTION REQUESTED

